

**BUY****TP: Rs 2,500 | ▲ 22%****SBI LIFE**

| Insurance

| 28 January 2026

## Strong quarter, growth guidance maintained

- APE growth robust at 24% YoY in Q3FY26; VNB rose 23% YoY in Q3FY26
- Management reiterates APE and VNB margin guidance for FY26; GST ITC loss impact limited to 30-40bps going forward
- **SBILIFE is attractively valued with its long-term story intact.**

Maintain **BUY**

Vijiya Rao  
 Research Analyst  
 Niraj Jalan  
 Research Analyst  
 research@bobcaps.in

**Resilient performance:** SBI Life reported stronger-than-expected business numbers with APE growth (up 24% YoY in Q3FY26 and up 16% YoY in 9MFY26) and VNB growth (up 23% YoY in Q3FY26 and up 18% YoY in 9MFY26), beating our estimates by 6% and 5% respectively. However, VNB margins were a tad lower than our expectations at 26.6% in Q3FY26 and 27.2% in 9MFY26 vs our estimate of 26.8% in Q3FY26. Management reiterated its guidance of individual APE growth of 13-14% in FY26E with VNB margin expected to remain in the range of 26-28%.

**VNB grew strong:** VNB margin came in at 26.6% vs 27.9% in Q2FY26 vs 26.95% in Q3FY25. This was primarily driven by higher business volumes and favourable product mix. Consequently, absolute VNB grew 23% YoY in Q3FY26 (up 18% YoY in 9MFY26).

**GST ITC impact limited:** The impact of GST ITC unavailability was to the tune of 110bps on VNB margin in 9MFY26 (impact of 150bps in Q3FY26), which was lower than earlier estimates of 175bps in Q2FY26. However, supported by a favourable product mix and improved operating efficiency, net impact on VNB margins is expected to moderate in the 30-40bps range in FY26.

**APE growth remains robust:** APE increased 24% YoY, outperforming private and overall industry growth of 14% YoY and 22% YoY, respectively to Rs 86 bn in Q3FY26 and was up 16% YoY in 9MFY26. This was primarily driven by par, annuity, and individual protection segments. Further, par saw significant growth during the quarter, owing to new product launches. ULIP share in the mix stood at 66.3% vs 57.9% in Q2FY26.

**Maintain BUY:** Q3 witnessed a robust business performance with GST ITC impact to be limited to 30-40bps, going forward. Management reiterated guidance for individual APE growth and VNB margin, while a higher focus on protection products and favourable product mix is likely to aid margin expansion. We maintain **BUY** with TP of Rs 2,500, from Rs 2,217, assigning a multiple of 2.2x to its Dec'27E P/EV.

## Key changes

	Target	Rating
	▲	◀ ▶

Ticker/Price	SBILIFE IN/Rs 2,053
Market cap	US\$ 22.4bn
Free float	45%
3M ADV	US\$ 19.1mn
52wk high/low	Rs 2,110/Rs 1,373
Promoter/FPI/DII	55%/22%/18%

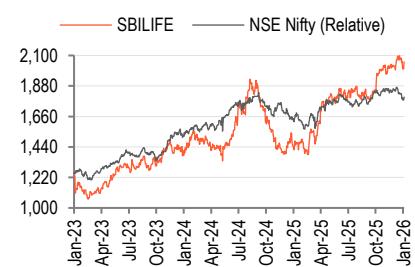
Source: NSE | Price as of 28 Jan 2026

## Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
NBP (Rs mn)	3,55,768	4,49,356	5,23,500
APE (Rs mn)	2,14,200	2,45,621	2,82,643
VNB (Rs mn)	59,500	67,791	79,140
Embedded Value (Rs mn)	7,02,500	8,30,892	9,81,996
VNB margin (%)	27.8	27.6	28.0
EVPS (Rs)	701.2	828.7	979.4
EPS (Rs)	24.1	31.4	38.2
Consensus EPS (Rs)	24.1	27.1	31.6
P/EV (x)	2.9	2.5	2.1

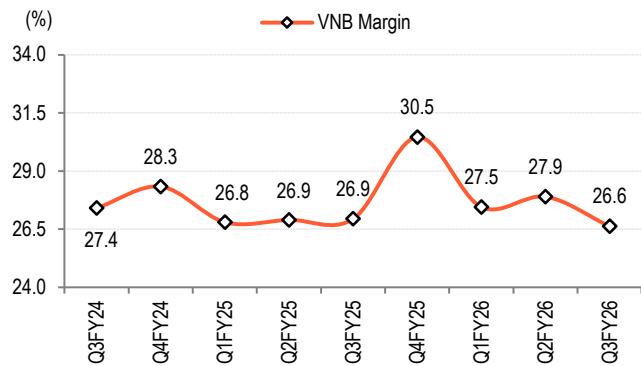
Source: Company, Bloomberg, BOBCAPS Research

## Stock performance

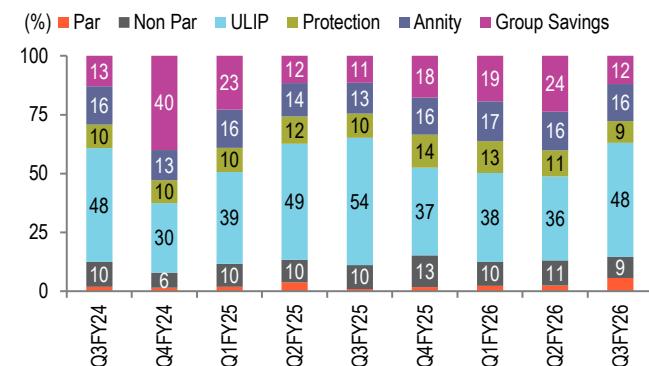


Source: NSE

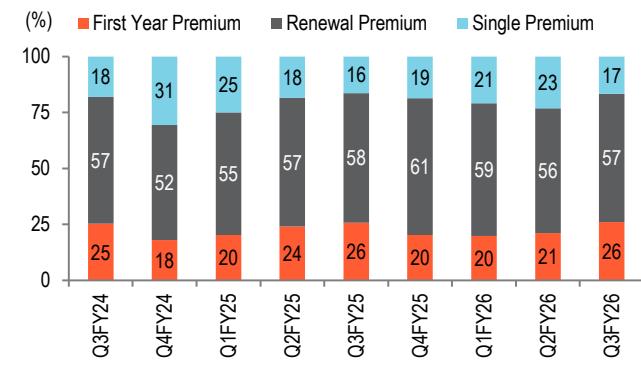


**Fig 1 – VNB margin came in at 26.6% for Q3FY26**

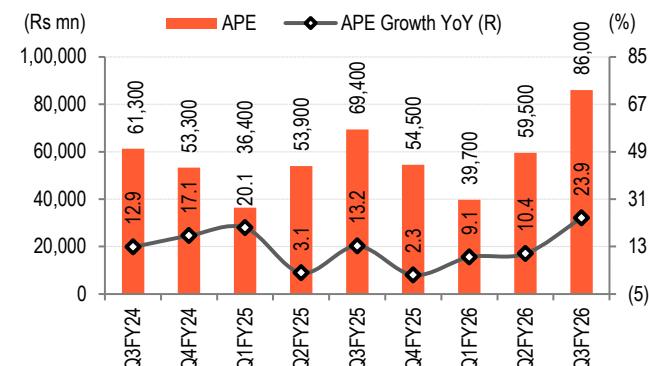
Source: Company, BOBCAPS Research

**Fig 2 – ULIP share increased to 48% in Q3FY26**

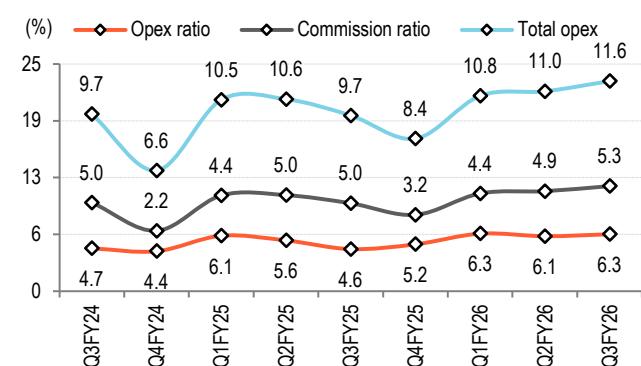
Source: Company, BOBCAPS Research

**Fig 3 – Strong growth across all segments in gross premium income**

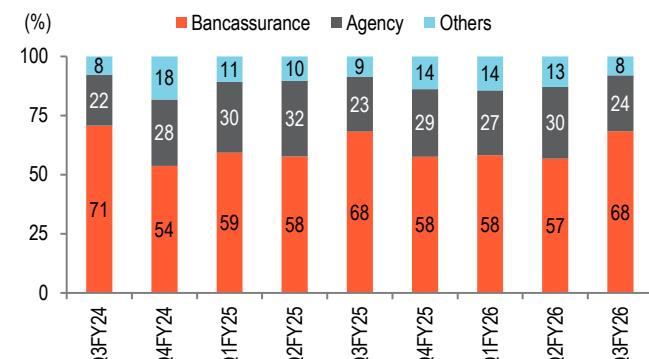
Source: Company, BOBCAPS Research

**Fig 4 – APE grew robust at 23.9% in Q3FY26 at Rs 86,000 mn**

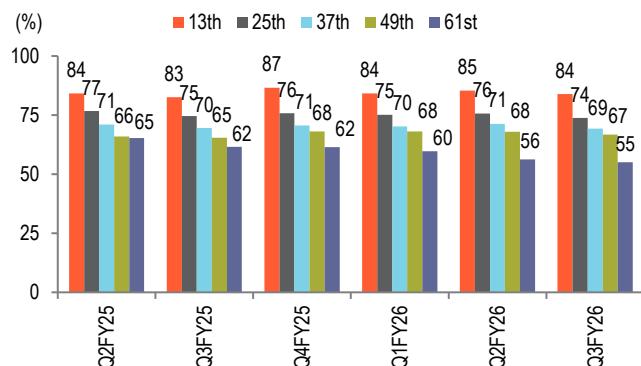
Source: Company, BOBCAPS Research

**Fig 5 – Total opex ratio stands at 11.6%**

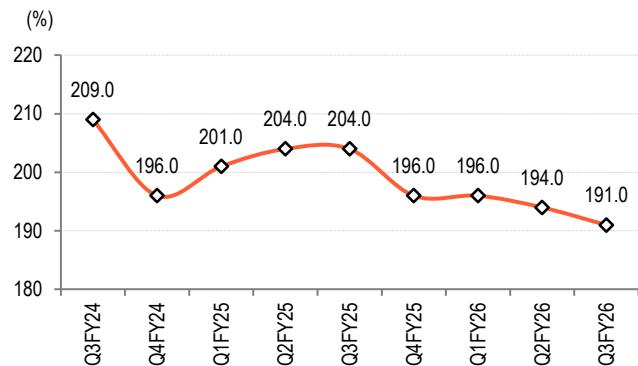
Source: Company, BOBCAPS Research

**Fig 6 – Banca channel is expected to report modest growth**

Source: Company, BOBCAPS Research

**Fig 7 – 13-month persistency came in at 84%**

Source: Company, BOBCAPS Research

**Fig 8 – Solvency ratio decreased marginally in Q3FY26**

Source: Company, BOBCAPS Research

**Fig 9 – Policyholder's account**

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
<b>Gross premium income</b>	3,04,495	2,49,978	21.8	2,50,839	21.4
First Year Premium	79,193	64,508	22.8	52,895	49.7
Renewal Premium	1,74,717	1,44,676	20.8	1,40,028	24.8
Single Premium	50,584	40,794	24.0	57,916	(12.7)
Reinsurance	2,041	1,703	19.9	2,356	(13.3)
<b>Net premium income</b>	<b>3,02,453</b>	<b>2,48,275</b>	<b>21.8</b>	<b>2,48,483</b>	<b>21.7</b>
Income from investments (Net)	1,55,310	(62,817)	-	(20,553)	-
Other income	267	(37)	-	162	-
Contribution of funds from Shareholders' A/c	0	0	-	0	-
<b>Total</b>	<b>4,58,030</b>	<b>1,85,422</b>	<b>-</b>	<b>2,28,092</b>	<b>-</b>
<b>Commission on</b>					
First Year Premium	10,858	8,326	30.4	7,953	36.5
Renewal Premium	4,338	3,602	20.4	3,542	22.5
Single Premium	906	656	38.0	908	(0.2)
Others	0	0	-	0	-
<b>Net Commission</b>	<b>16,102</b>	<b>12,585</b>	<b>28.0</b>	<b>12,403</b>	<b>29.8</b>
Expenses of Management	35,195	24,172	45.6	27,592	27.6
<b>Operating Profit</b>	<b>4,06,733</b>	<b>1,48,665</b>	<b>-</b>	<b>1,88,097</b>	<b>-</b>
Provision for taxes	444	219	-	186	-
Benefits Paid (Net)	1,44,684	1,25,341	15.4	1,34,821	7.3
Change in actuarial liability	2,73,474	29,084	-	60,392	-
<b>Surplus/Deficit</b>	<b>4,273</b>	<b>3,470</b>	<b>23.1</b>	<b>2,001</b>	<b>-</b>

Source: Company, BOBCAPS Research

**Fig 10 – Shareholder's account**

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
<b>Transfer from Policyholders' Account</b>	<b>2,692</b>	<b>2,623</b>	<b>2.6</b>	<b>2,057</b>	<b>30.9</b>
Investment Income	3,563	3,161	12.7	3,223	10.5
Other income	0	10	-	0	-
Expenses other than those related to insurance business	49	69	(29.5)	146	-
Transfer of funds to Policyholders' Account	0	0	-	0	-
Provisions for diminution in value of investments	231	9	-	2	-
<b>Profit before tax</b>	<b>5,975</b>	<b>5,716</b>	<b>4.5</b>	<b>5,132</b>	<b>16.4</b>
Provisions for tax	208	208	0.0	186	11.8
<b>Profit after tax and before extraordinary items</b>	<b>5,767</b>	<b>5,508</b>	<b>4.7</b>	<b>4,946</b>	<b>16.6</b>

Source: Company, BOBCAPS Research

## Earnings Call Highlights

### Business highlights

- Gross premium income came in at Rs 3,04,495 mn in Q3FY26, representing a YoY growth of 21.8%, supported by strong growth in all segments with first year premium, renewal premium and single premium growing at 22.8% YoY, 20.8% YoY, 24% YoY respectively.
- PAT for 9MFY26, after considering the impact of revised labour laws and GST, stood at Rs16.7 bn, reflecting 4% YoY growth. Excluding the impacts, PAT would have grown 34% YoY to Rs. 21.5 bn.
- New Business Premium stood at Rs 313.3 bn in 9MFY26, a 19% YoY growth, with a private market share of 23.5% and a total market share of 10.1%.
- Individual rated premium reached Rs 166.8 bn in 9MFY26, 15% YoY growth, driven primarily by strong volume growth and higher individual policy sales, with a private market share of 25.6% and a total market share of 18.6%.
- The impact of the new labour laws amounted to Rs1,350 mn, which the company has reflected in both the P&L statement and the Embedded Value calculation.
- Management highlighted that premiums arising from new riders attached to renewal policies will be classified as new business premiums.
- Rider sum assured grew significantly and now contributes 30% of individual sum assured.

### Product and Channel Mix

- Protection recorded robust YoY growth of 24% and contributed 9% to APE as of 9MFY26.
- Protection products on the Yono channel received a strong response, with more than 1,50,000 policies sold in 9MFY26.
- Non-par on an IRP basis, excluding protection, grew 10% YoY, while protection recorded 44% YoY growth for the period. This increase was primarily driven by the launch of a participating product, which saw a stronger traction among distributors.
- Credit Life APE grew 20% YoY to Rs. 2.1 bn, while Group Term Insurance APE increased 27% YoY to Rs. 8.1 bn in 9MFY26. Credit Life APE for Q3FY26 stands at around Rs 750 mn.
- Product mix in non-SBI partnerships comprises 20% ULIPs, with the balance evenly split between par and non-par products, and 5–6% contributed by protection products.
- Banks, excluding the SBI group, demonstrated strong performance, registering 24% YoY growth on a total APE basis.

### VNB and VNB Margin

- VNB for 9MFY26 stood at Rs. 50.4 bn, reflecting 17.5% YoY growth, with margins of 27.2%, supported by strong volume growth and a favourable product mix. Excluding the GST impact, margins would have been 28.3%.
- The impact on VNB margins stood at 110 bps as of 9MFY26. Management indicated that the full-year impact will be partially offset by a favourable product mix. After this offset, the company expects a residual impact of approximately 30–40 bps.

### Growth Guidance

- SBI Life expects individual APE to grow at 13–14% in FY26.
- The company reiterated its VNB margin guidance of 26–28% for FY26.
- The company anticipates moderate growth in the Banca channel going forward, though it is expected to remain below the overall company growth rate.

### Others

- SBI branch productivity on individual APE stood at Rs. 6.4 mn for the period, reflecting 15% growth.
- The online business channel grew 45% YoY on an APE basis in 9MFY26.
- 58% of individual proposals are processed through automated underwriting.
- The recently launched Smart Money Back Plus product received strong response, garnering premium of Rs 5.6 bn.
- The company has recently launched the Smart Platina Advantage product and is working towards introducing additional products towards the end of FY26 or in Q1FY27.
- Attachment rate for home loans on credit life segment stands at 52%.

## Valuation Methodology

Q3 witnessed a robust business performance with the GST ITC impact to be limited to 30-40bps, going forward. Management reiterated guidance for individual APE growth and VNB margin, while a higher focus on protection products and favourable product mix is likely to aid margin expansion. We maintain BUY with TP of Rs 2,500, from Rs 2,217, assigning a multiple of 2.2x to its Dec'27E P/EV.

**Fig 11 – Revised estimates**

(Rs mn)	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
APE	2,45,621	2,82,643	3,26,522	2,42,622	2,76,561	3,16,093	1.2	2.2	3.3
VNB Margin (%)	27.6	28.0	28.3	26.5	27.0	27.5	110bps	100bps	80bps

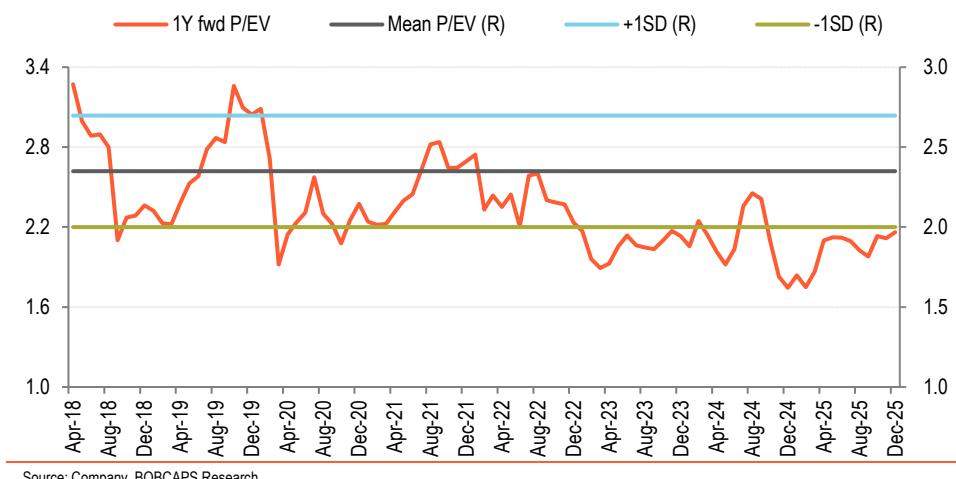
Source: BOBCAPS Research

**Fig 12 – Actual vs Estimates**

(Rs mn)	Q3FY26A	Q3FY26E	Variance (%)
Gross Premium	3,04,495	2,91,768	4.4
APE	86,000	81,156	6.0
VNB	22,900	21,786	5.1
VNB Margin (%)	26.6	26.8	(22bps)

Source: Company, BOBCAPS Research

**Fig 13 – P/EV Band**



## Key Risks

Key downside risks to our estimates:

- **Change in regulatory framework:** Any unfavourable change in regulations can affect business growth.
- **Losses from capital and bond markets:** Prolonged weakness in capital markets could hamper the growth of ULIPs. Although insurance companies are opting for balanced product mixes, many of them have sizeable business coming from ULIPs.

- **Increasing interest rates:** Guaranteed-return businesses could be affected by a rise in interest rates as other financial instruments (e.g. deposits) become more attractive.
- **Adverse economic events:** A significant economic decline may result in financial difficulties or defaults by issuers of bonds in the company's investment portfolios. The shareholders' equity and earnings and policyholders' funds may also be affected by fair valuation of bonds held in investment portfolios.
- **High surrender of policies:** Life insurance companies face the risk of surrendered policies. In ULIPs, customers can withdraw policies after five years, despite longer durations. Policies can also be surrendered in case of a job loss and monetary requirements, among other factors, which lower persistency ratios.

## Glossary

### Glossary of Abbreviations

<b>APE</b>	Annual Premium Equivalent	<b>NBP</b>	New Business Premium
<b>EOM</b>	Expenses of Management	<b>ROEV</b>	Return on Embedded Value
<b>EV</b>	Embedded Value	<b>ROP</b>	Return of Premium
<b>EVOP</b>	Embedded Value Operating Profit	<b>RWRP</b>	Retail Weighted Received Premium
<b>HNI</b>	High Net Worth Individuals	<b>ULIP</b>	Unit Linked Insurance Plan
<b>IRDAI</b>	Insurance Regulatory and Development Authority	<b>VNB</b>	Value of New Business

## Financials

### Revenue Account (Technical)

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Gross premium income</b>	<b>8,14,306</b>	<b>8,49,846</b>	<b>9,98,569</b>	<b>11,63,333</b>	<b>13,61,100</b>
First year premium	1,74,757	1,93,716	2,14,302	2,32,667	2,72,220
Renewal premium	4,31,923	4,94,078	5,49,213	6,39,833	7,48,605
Single premium	2,07,626	1,62,052	2,35,054	2,90,833	3,40,275
<b>Net written premium</b>	<b>8,05,871</b>	<b>8,40,598</b>	<b>9,88,584</b>	<b>11,51,700</b>	<b>13,47,489</b>
Income from investments	5,03,666	3,17,141	3,69,786	4,06,718	4,49,146
Other Income	16,777	13,448	15,466	17,787	20,456
<b>Total income</b>	<b>13,26,314</b>	<b>11,71,187</b>	<b>13,73,835</b>	<b>15,76,204</b>	<b>18,17,092</b>
Commissions	32,553	37,388	42,622	48,163	55,387
Operating expenses	39,819	44,908	51,644	59,391	68,299
Benefits and bonuses paid	4,31,074	4,89,018	5,19,006	5,98,884	6,93,957
Change in liabilities (net)	7,84,313	5,57,001	7,07,392	8,06,426	9,21,745
Others	0	0	0	0	1
<b>Total expenses</b>	<b>12,87,760</b>	<b>11,28,315</b>	<b>13,20,664</b>	<b>15,12,864</b>	<b>17,39,390</b>
<b>Surplus before tax</b>	<b>38,554</b>	<b>42,872</b>	<b>53,171</b>	<b>63,341</b>	<b>77,702</b>
Provision for tax	10,833	13,038	15,321	17,585	20,276
<b>Surplus after tax</b>	<b>27,915</b>	<b>29,945</b>	<b>37,978</b>	<b>45,902</b>	<b>57,596</b>
Trf to shareholders' a/c	25,977	27,397	35,341	42,715	53,597
Balance being FFA	1,938	2,548	0	0	0

### Income Statement (Non-technical)

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Trf from policyholders' a/c	25,977	27,397	35,341	42,715	53,597
Income from investments	10,341	11,145	12,589	14,540	16,794
Contr. to policyholders' fund	(16,276)	(13,459)	(15,478)	(17,800)	(20,470)
Others	(620)	(136)	(170)	(207)	(207)
<b>PBT</b>	<b>19,421</b>	<b>24,947</b>	<b>32,282</b>	<b>39,248</b>	<b>49,714</b>
Provision for taxation	(483)	(814)	(807)	(981)	(1,243)
<b>PAT</b>	<b>18,938</b>	<b>24,133</b>	<b>31,475</b>	<b>38,267</b>	<b>48,471</b>
Dividend+Interim div.+DDT	2,705	2,707	2,707	2,707	2,707

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Equity	1,49,086	1,69,854	1,96,696	2,32,256	2,78,020
Policyholders' funds	36,51,022	41,80,690	48,13,186	55,54,227	64,22,693
FFA	13,366	15,914	16,232	16,557	16,888
Others	1,14,357	1,42,775	1,45,630	1,48,543	1,51,514
<b>Total liabilities</b>	<b>39,27,830</b>	<b>45,09,232</b>	<b>51,71,744</b>	<b>59,51,583</b>	<b>68,69,114</b>
Shareholders' funds	1,30,364	1,46,045	1,68,682	1,94,827	2,25,025
Policyholders' funds	15,65,436	18,52,268	22,00,494	26,14,187	31,05,654
Assets to cover linked liab.	21,60,103	24,76,357	28,20,570	32,26,732	37,02,675
Others	0	0	0	0	0
<b>Total assets</b>	<b>39,27,830</b>	<b>45,09,232</b>	<b>51,71,744</b>	<b>59,51,583</b>	<b>68,69,114</b>

### Key Metrics

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
AUM (Rs mn)	38,89,200	44,80,400	53,85,739	64,82,029	77,13,614
NBP (Rs mn)	3,82,383	3,55,768	4,49,356	5,23,500	6,12,495
APE (Rs mn)	1,97,200	2,14,200	2,45,621	2,82,643	3,26,522
VNB (Rs mn)	55,500	59,500	67,791	79,140	92,406
VNB margin (%)	28.1	27.8	27.6	28.0	28.3
Embedded value (Rs mn)	5,82,600	7,02,500	8,30,892	9,81,996	11,58,907
ROEV (%)	21.8	20.2	18.0	17.8	17.7
ROE (%)	13.6	15.1	17.2	17.8	19.0
Opex ratio (%)	4.9	5.3	5.2	5.1	5.0
Cost ratio (%)	8.9	9.7	9.4	9.2	9.1
Solvency ratio (%)	-	-	-	-	-
EPS (Rs)	18.9	24.1	31.4	38.2	48.4
BVPS (Rs)	148.9	169.6	196.3	231.8	277.5
EVPS (Rs)	581.7	701.2	828.7	979.4	1,155.9

Source: Company, BOBCAPS Research

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA ("US") OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.

## Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: 1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051

SEBI Research Analyst Registration No: INH000000040 valid till 03 February 2025

Brand Name: **BOBCAPS**

Trade Name: [www.barodaetrade.com](http://www.barodaetrade.com)

CIN: U65999MH1996GOI09809



Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

### Recommendation scale: Recommendations and Absolute returns (%) over 12 months

**BUY** – Expected return >+15%

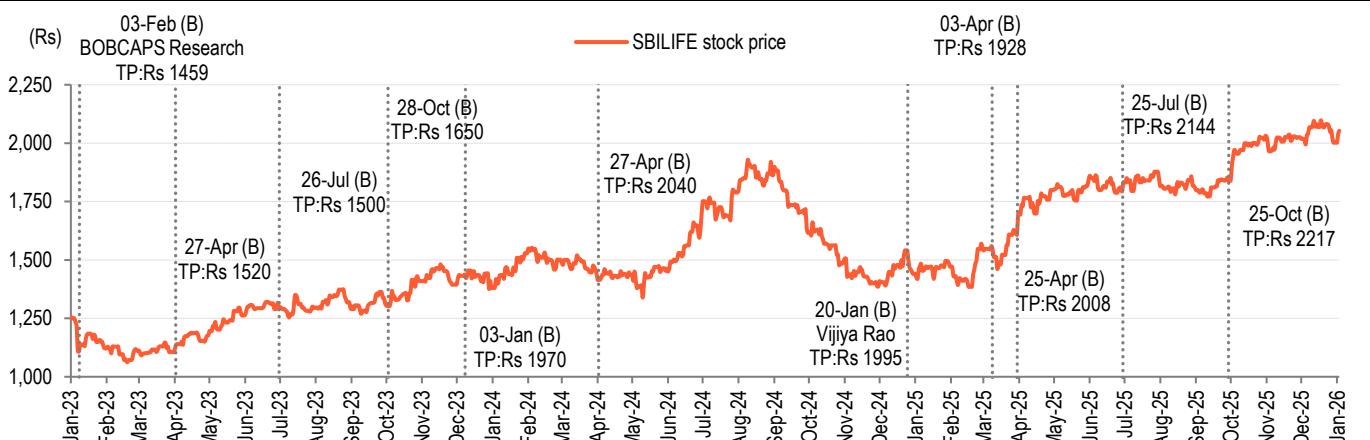
**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

### Ratings and Target Price (3-year history): SBI LIFE (SBILIFE IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

### Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

### General disclaimers

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS is also a SEBI-registered intermediary for the broking business having SEBI Single Registration Certificate No.: INZ000159332 dated 20 November 2017.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

#### **Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014**

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company or third party in the past 12 months in connection with research report/activities. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

#### **Other disclaimers**

BOBCAPS and MAYBANK (as defined below) make no representation or warranty, express or implied, as to the accuracy or completeness of any information obtained from third parties and expressly disclaim the merchantability, suitability, quality and fitness of this report. The information in this report has not been independently verified, is provided on an "as is" basis, should not be relied on by you in connection with any contract or commitment, and should not be used as a substitute for enquiries, procedures and advice which ought to be undertaken by you. This report also does not constitute an offer or solicitation to buy or sell any securities referred to herein and you should not construe this report as investment advice. All opinions and estimates contained in this report constitute BOBCAPS's judgment as of the date of this report and are subject to change without notice, and there is no obligation on BOBCAPS or MAYBANK to update this report upon issuance. This report and the information contained herein may not be reproduced, redistributed, disseminated or copied by any means without the prior consent of BOBCAPS and MAYBANK.

To the full extent permitted by law neither BOBCAPS, MAYBANK nor any of their respective affiliates, nor any other person, accepts any liability howsoever arising, whether in contract, tort, negligence, strict liability or any other basis, including without limitation, direct or indirect, special, incidental, consequential or punitive damages arising from any use of this report or the information contained herein. By accepting this report, you agree and undertake to fully indemnify and hold harmless BOBCAPS and MAYBANK from and against claims, charges, actions, proceedings, losses, liabilities, damages, expenses and demands (collectively, the "Losses") which BOBCAPS and/or MAYBANK may incur or suffer in any jurisdiction including but not limited to those Losses incurred by BOBCAPS and/or MAYBANK as a result of any proceedings or actions brought against them by any regulators and/or authorities, and which in any case are directly or indirectly occasioned by or result from or are attributable to anything done or omitted in relation to or arising from or in connection with this report.

#### **Distribution into the United Kingdom ("UK"):**

This research report will only be distributed in the United Kingdom, in accordance with the applicable laws and regulations of the UK, by Maybank Securities (London) Ltd ("MSL") who is authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom (MSL and its affiliates are collectively referred to as "MAYBANK"). BOBCAPS is not authorized to directly distribute this research report in the UK.

This report has not been prepared by BOBCAPS in accordance with the UK's legal and regulatory requirements.

This research report is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of MAYBANK as selected by MAYBANK solely at its discretion; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the "Order"), or (c) fall within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc. as mentioned in the stated Article) of the Order; (all such persons together being referred to as "relevant persons").

This research report is directed only at relevant persons and must not be acted on or relied on by any persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

The relevant person as recipient of this research report is not permitted to reproduce, change, remove, pass on, distribute or disseminate the data or make it available to third parties without the written permission of BOBCAPS or MAYBANK. Any decision taken by the relevant person(s) pursuant to the research report shall be solely at their costs and consequences and BOBCAPS and MAYBANK shall not have any liability of whatsoever nature in this regard.

#### **No distribution into the US:**

This report will not be distributed in the US and no US person may rely on this communication.

#### **Other jurisdictions:**

This report has been prepared in accordance with SEBI (Research Analysts) Regulations and not in accordance with local regulatory requirements of any other jurisdiction. In any other jurisdictions, this report is only for distribution (subject to applicable legal or regulatory restrictions) to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions by Maybank Securities Pte Ltd. (Singapore) and / or by any broker-dealer affiliate or such other affiliate as determined by Malayan Banking Berhad.

If the recipient of this report is not as specified above, then it should not act upon this report and return the same to the sender.

By accepting this report, you agree to be bound by the foregoing limitations.